BDAC Water Use Efficiency Work Group Meeting Summary December 2, 1996

The seventh meeting of the BDAC Water Use Efficiency Work Group was held on Monday December 2, 1996 at the Resources Building from 1:30 to 4:30 p.m.

(Some attendees who arrived late and/or who did not sign in are not listed below)

BDAC Members present were:

Judith Redmond, Chair

Roberta Borgonovo

Howard Frick

Alex Hildebrand

Richard Izmirian

Invited Participants of the Work Group present were:

Ed Craddock

Ronnie Cohen (via phone)

Mary Ann Dickinson

Bill Jacoby

Lance Johnson

Susan Munves

Tracy Slavin

Nancy Yoshikawa

CALFED Staff/Consultant Team present were:

Rick Soehren

David Fullerton

Mike Heaton

Greg Young

Greg Zlotnick

Other Participants included:

Peter L. Candy Mary Lou Cotton Lloyd Fryer Tom Hickmann

Barbara Cross
Wilton Fryer
Mary Hildebrand
Jeff Jaraczeski
Marsha Prillwitz
Craig Scott

Jeff Cohen

Linda Cole
Bill DuBois
Brent Graham
Penny Howard
William Johnston

Betsy Reifsnider Lora Steere

Jeanette Thomas

Arnold Rummelsburg

Ray Hoagland

John Kopchik

Waiman Yip

A draft *CALFED Bay-Delta Program Water Use Efficiency Common Program* discussion paper was distributed to the Work Group at the start of the meeting. Also distributed was a letter from Brad Shinn of the California Farm Water Coalition, dated November 27, stating support for the direction CALFED has outlined for the agricultural approach.

Judith opened the meeting with a quick review of the progress of the Work Group to date and the process under which she has been chairing the meetings. Members of the Work Group represent various stakeholder interests, she stated, and, in order to move forward, members may need to agree to disagree on some points. The goal of the Work Group is only to provide policy guidance to CALFED and BDAC so disagreements are allowable.

Representatives of urban interests working on the CUWA/EWC urban approach wanted clarification on what level of agreement was needed by CALFED at this time. The CUWA Board, it was stated, has yet to discuss in detail some of the issues brought out by the original CUWA/EWC draft approach. What level of commitment needs to be shown by urban stakeholders? CALFED staff responded stating that CALFED is looking for general agreement on the concepts being discussed in the very near term. CALFED needs assurance that a strong majority of urban agencies are going to prepare, adopt, and implement conservation plans that meet the goals of the urban MOU. The CALFED Program, it was stated, is working at a very fast pace and hopes to start impact analysis early in 1997. Realizing that CALFED is working faster than most public policy forums, the Program recognizes that details of any approach can be worked out over a longer period, but general agreement is needed now. Adjusting the details of an approach, it was felt, should not be anticipated to significantly change the general impact of an approach. A revised draft of the September 17 *Urban Approach Discussion Paper* will be made available prior to the next meeting. This draft will recognize that the CUWA Board and others may not be in full agreement with details of the proposed approach.

Rick Soehren gave the Work Group an overview of the draft agricultural approach. A longer discussion of the agricultural approach is contained in the draft component report which was distributed at the meeting. Written comments on the draft agricultural approach were requested by December 25, 1996. The initial sections of the draft component paper includes an introduction to the overall water use efficiency component and presentation of general, urban, and agricultural objectives. Other sections, not presented in this draft, are reserved for other aspects of the overall component: urban water use efficiency, urban water recycling, water transfers, and efficient use of diverted environmental water. Each of these topics will be discussed in more detail at subsequent Work Group meetings.

The draft agricultural approach, as presented by Rick, tracks closely to the August 22, 1996 paper presenting agricultural objectives and tools. However, the original paper had a "universe" of potential tools and this approach includes a subset of tools that met objectives and were most implementable. The agricultural approach is centered on locally directed water management planning, similar to what the urban sector has been doing under the urban MOU. The remainder of the agricultural approach, as outlined by Rick, includes technical, planning, and funding assistance for both planning efforts and implementation of identified opportunities. The final portion of the agricultural approach includes increased efforts to identify and implement local water management and efficiency opportunities that meet multiple benefits, such as ecosystem restoration and water quality improvements. Several efforts are underway currently; CALFED would help facilitate and promote these types of actions and build a stronger program for identification and implementation of such actions.

Judith asked the Work Group members for comments on the draft approach. Comments and related discussion generally fell into three areas: 1) what defines the 2/3 value specified as a minimum criterion for acceptable agricultural participation in efficiency planning and

implementation?, 2) implementation of efficiency improvements may adversely impact other CALFED objectives, and 3) are there implementation benchmarks and assurances needed before water supply components of a CALFED solution would be implemented?

The definition of a 2/3 value was the subject of questions by many of the participants. Some felt that a 2/3 value should include all water purveyors whether they sign the agricultural MOU, complete CVPIA requirements, or develop another functionally equivalent plan. It was stated that limiting what counts toward a 2/3 trigger value to only MOU signatories would be inappropriate. There may be several purveyors who will develop conservation plans but do not want to sign the MOU. Rick Soehren replied that the intention would be to include all three. A question was asked as to whether or not the 2/3 trigger value would include individual water diverters (i.e, not in a recognized district such as riparian or individual groundwater user). Of the 9.1 million acres of irrigated farmland in the state, it is unknown how much is not in districts. It was stated that further investigation and analysis is needed prior to precisely defining the 2/3 value. CALFED recognizes that the 2/3 value needs to be well defined as to the lands to which it should apply. Some strongly felt that individual users should be included in the 2/3 value. Others felt it would be too difficult to track or to monitor this type of user. A reason for inclusion, it was stated, was to create equity among all water users. Approval of all plans, it was suggested, should be held to the same standard and should be solicited from all water users, individual as well as districts. Although having individual users make efficiency improvement is desirable, CALFED feels this approach would not target them.

Another question regarding the 2/3 level was raised. Is the value intended for purveyors that complete plans or are those implementing plans? Rick stated that the intention is to ensure implementation of appropriate efficiency measures. Planning is viewed as the first step. However, it is not acceptable to merely complete a plan and set it on the shelf, so implementation of appropriate measures must follow. In addition, reporting requirements of the agricultural MOU, it was stated, include information on how well a district is implementing identified actions. Support of a 2/3 trigger value was offered by some agricultural interests as a strong incentive to help encourage districts to sign the agricultural MOU and document existing efficiencies or make improvements. The prospect of mandatory planning will be necessary to ensure compliance with a voluntary process, it was stated.

How a plan will be determined to be functionally equivalent to the CVPIA or MOU plans was also questioned. There is a concern that independent plans could be submitted that would meet the intention of CALFED's approach but would otherwise not meet MOU or CVPIA current requirements. It was expressed that this was experienced with many of the CVP contractor plans during recent contract renewal efforts. Rick stated that the approach would probably use the Agricultural Council or similar forum to provide equivalent scrutiny of plans.

A question was raised in regard to the possibility of overlooking negative environmental impacts when implementing efficiency improvements. An example was given stating that an upstream

district may implement tailwater recycling because it is cost-effective for them and does not seem to create any local negative impacts. However, downstream areas could be adversely affected in various ways that were not identified by the implementor. How would the plan approval process account for this kind of interplay? Given all of the CALFED objectives, how do we assure a consistent basis for review of purveyors' plans to see if each adequately looks at this interplay? DWR representatives were asked whether the net benefit analysis in the agricultural MOU addresses the potential for negative effects of this interplay. The response was that it does, but at a very cursory level. The net benefit analysis is not intended as a CEQA or NEPA analysis, but only offers a gross determination of whether or not an action will have adverse or beneficial impacts. It does not make a determination of whether an action that is cost-effective but may have adverse impacts should be implemented or not.

The discussion in the Work Group turned to several different topics at this time.

- What role does the water use efficiency component play in the overall CALFED solution? It was felt by some that water use efficiency is needed to reduce demand and reallocate water back to the environment. Others felt that there is little to be gained in true savings and that any reduction in current demand would be used to satisfy local future demands.
- The component's role was thought to need to answer the questions: In what ways can we minimize demands over time given increasing demands? and, Can we modify water management to gain ecosystem benefits such as improved timing, improved quality, and reduced diversion impacts?
- The idea of time-value of water is becoming an important piece of the ecosystem component. Some felt that the water use efficiency tools should target this time-value concept but that they do not seem to now and are therefore not useful.
- Rick Soehren explained that the water use efficiency approach addresses the desires expressed by the public during scoping that we must show efficient use of existing supplies prior to development of new supplies. (Although, some wanted to know who and what public stated that need.)
- A question was raised as to whether efficiency goals should be set that would have to be
 reached by water users as a whole prior to starting any effort to develop new supplies.
 Without goals, it was felt, water supply projects will just happen, regardless of how much
 efficiency improvement occurs or does not occur. To some, setting goals would mean that
 reallocation of water from agriculture would have to occur, which they did not want to see
 happen.

Judith concluded the discussion on the draft agricultural approach and asked Rick Soehren to provide an overview of efforts in efficient use of water diverted for environmental purposes. At

the last Work Group meeting, discussion was held regarding the need to apply efficiency principles to environmental purposes. Water associated with environmental uses can be viewed in two ways: water that remains in the system (instream), and water that is diverted for environmental purposes (wetlands, refuges). CALFED staff feels that the latter is appropriate to discuss in this Work Group, but issues regarding instream uses should be discussed in the Ecosystem and Assurances work groups. This group is looking at ways to improve management and efficiency of diverted water, whether for agricultural, urban, or environmental needs.

Rick continued his overview stating that BMPs for federal wetlands and refuges are being developed as a result of CVPIA. On the Bureau of Reclamation's web page (www.mp.usbr.com) is a draft administrative proposal regarding refuge water supplies. In that paper, the issue of BMPs is discussed. Three efforts are underway. One is development of a Water Management Strategy for Federal Refuges with a draft scheduled for release in early December. Second, the Department of Fish and Game has habitat management standards that are required of state refuges. Efforts to meet standards are underway. Third, Grasslands RCD has begun development of a Best Management/Efficient Use Plan and is working on a wetlands management model. The Fish and Wildlife Service is working to coordinate all of these efforts and will hold a public workshop in late January regarding the process of drawing all of this work together.

The role of the Work Group is now to look at the general Water Use Efficiency objectives and see if they satisfy the needs of this water use sector. If not, the Work Group needs to discuss additional objectives. CALFED will maintain communication with Joel Miller of the FWS regarding coordination of efforts. Concern was expressed that if the approaches described in the USBR administrative proposal are the same as they were in July, there needs to be significant technical improvements. However, it was noted, nobody had very good information at this time and the Work Group will wait to read the draft Water Management Strategy. It is anticipated that stakeholder input during a January workshop (see above reference) would be crucial to making any technical improvements necessary. Rick noted that, just as with agricultural and urban sectors, we will focus on policy advice and not work on technical issues. However, it was noted, that although the Work Group should only look at the issue from a policy level, a better understanding of some of the technical issues is necessary for informed policy discussions.

It was stated that a group of agricultural interests are drafting a proposed set of environmental BMPs, including instream and diverted uses, for presentation to the Work Group. Realizing that only diverted uses will be discussed in this Work Group, the draft BMPs will need to be presented to some other forum. It was again suggested that the Ecosystem and Assurances Work Group might be the proper places for that discussion. The draft paper was promised to be available to CALFED by December 25.

The next Work Group meeting is scheduled for Friday, January 10, 1997 from 1:00 to 4:00. The urban and diverted environmental approaches will be discussed in more detail at this meeting.